**REQUEST FOR PROPOSALS**

**MORTAGE LOAN SERVICING**

**Addendum 1**

**July 15, 2020**



**Metropolitan Development and Housing Agency**

**This serves to advise those proposers that a pre-proposal meeting was held July 10, 2020 at 10:00 a.m. via Webex. This Addendum is being issued to provide clarification from MDHA; address questions presented during the pre-proposal meeting; and respond to questions received prior to the deadline established in the Request for Proposals. Proposers are to acknowledge this addendum in their Request for Proposals.**

1. **Q. What is the timeline for transfer of loans from existing servicer and start of new contract?**

**A.** The new contract start date is January 1, 2021.

1. **Q. Please provide the most recent end of the month delinquency report.**

**A.** Redacted copy attached.

1. **Q. Approximately how many new loans will be created annually?**
2. Zero, the majority of MDHA’s current programs are providing forgivable or due on sale loans that are being serviced/monitored in-house.
3. **Q. Do all loans have late fee language in the original loan documents?**
4. Yes, to the best of our knowledge.
5. **Q. Are annual occupancy affidavits required?**

**A.** No.

1. **Q. How many loans have been taken back in-house due to delinquency?**

**A.** None, during the current contract.

1. **Q. How many foreclosures have been done in the past 12-24 months?**

**A**. None.

1. **Q. What is the age of the loans?**

**A.** The age of the loans in the portfolio varies by loan type. The chart below provides information on approximate remaining terms by type and # of loans:

|  |  |
| --- | --- |
| # OF HOMEOWNER REHABILITATION LOANS | APPROXIMATE # YEARS REMAINING TERM  |
| 11 | 3  |
| 2 | 4  |
| 19 | 5 |
| 2 | 8 |
| 4 | 11 |
| 2 | 14 |
| # RENTAL REHABILITATION LOANS | APPROXIMATE # YEARS REMAINING TERM |
| 1 | .02 |
| 1 | .6 |
| 3 | 2 |
| 1 | 3 |
| 6 | 4 |
| 1 | 5 |
| 2 | 6 |
| 2 | 15 |
| 1 | 16 |

1. **Q. What are the other items that may be disbursed from escrow?**
2. Nothing other than taxes and insurance that we are aware of.
3. **Q. What is the current fee structure for new loan setups and monthly loan servicing?**

**A.** If the number of loans being serviced does not exceed 141, the fee for servicing the portfolio (setups and monthly) is $4,198. If the number of loans being serviced exceeds 141, the fee for servicing will be $29.95 per loan being serviced.

1. **Q. Are there any known or suspended regulatory or payment accounting/reconciling matters needing action?**

**A.** None that we are aware of.

1. **Q. Are there any contracts in place to monitor taxes?**

**A.** No.

**MDHA Clarifications:**